



✧ RULES ✧

OF THE

Canada Permanent

✧ LOAN ✧

AND

SAVINGS COMPANY

ALSO

THE COMPANY'S ACT OF 1886.

OFFICE

COMPANYS' BUILDINGS, TORONTO STREET, TORONTO.

1887.



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CANADA PERMANENT Loan and Savings Company.

Head Office :

Company's Buildings, Toronto Street,
TORONTO.

Subscribed Capital	\$3,500,000
Paid-up Capital	2,300,000
Reserve Fund	1,180,000
TOTAL ASSETS	\$9,301,615
“ LIABILITIES	5,589,224
SURPLUS ASSETS	\$3,712,391

Directors :

EDWARD HOOPER, PRESIDENT.
S. NORDHEIMER, VICE-PRESIDENT.
JOSEPH ROBINSON, WM. GOODERHAM,
A. M. SMITH, HENRY CAWTHRA, JUDGE BOYD.

Managing Director :

J. HERBERT MASON.

Solicitors :

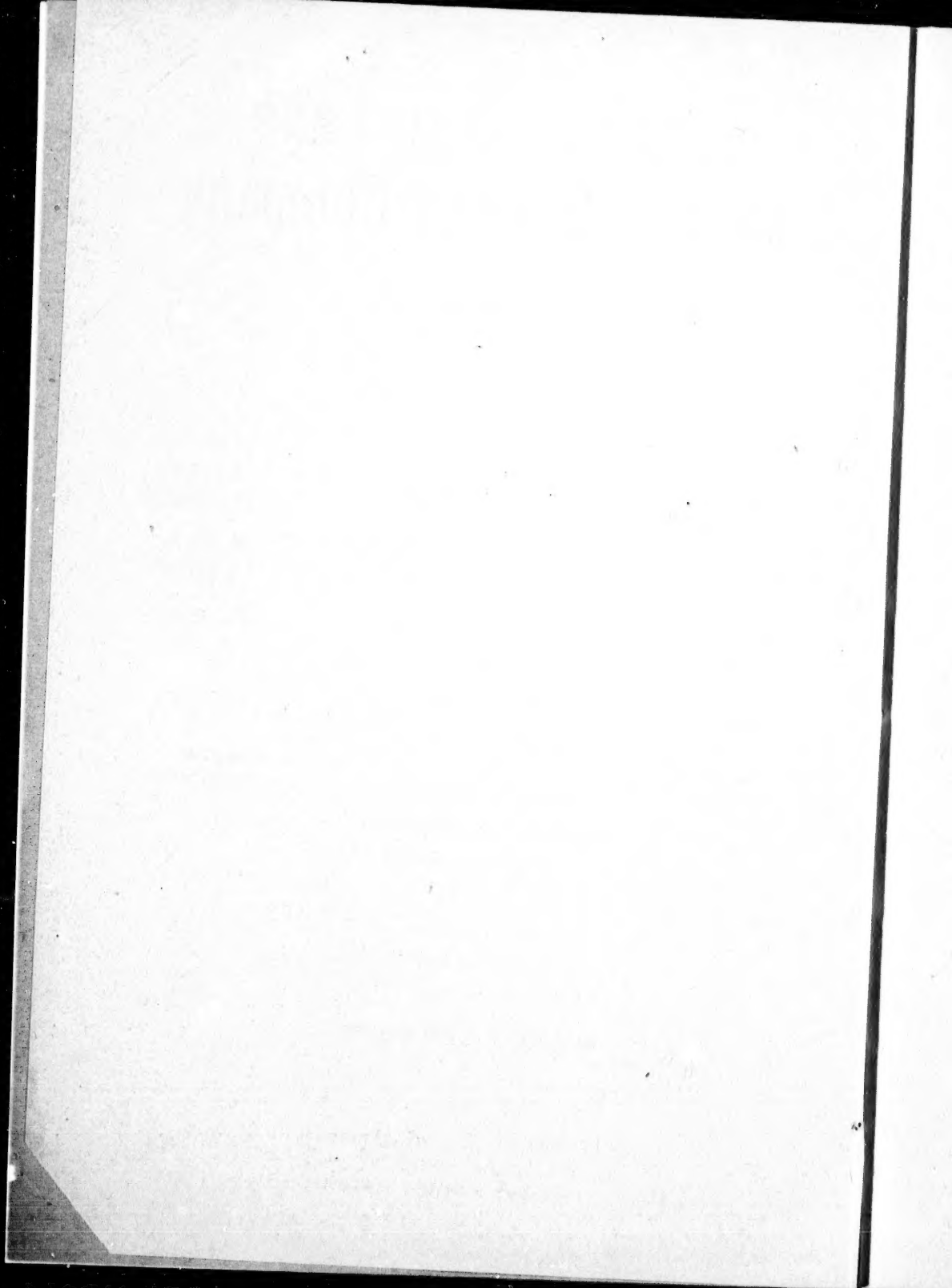
JONES BROS. & MACKENZIE.

Bankers in Canada :

BANK OF TORONTO.	BANK OF COMMERCE.
MERCHANTS BANK.	FEDERAL BANK.
STANDARD BANK.	

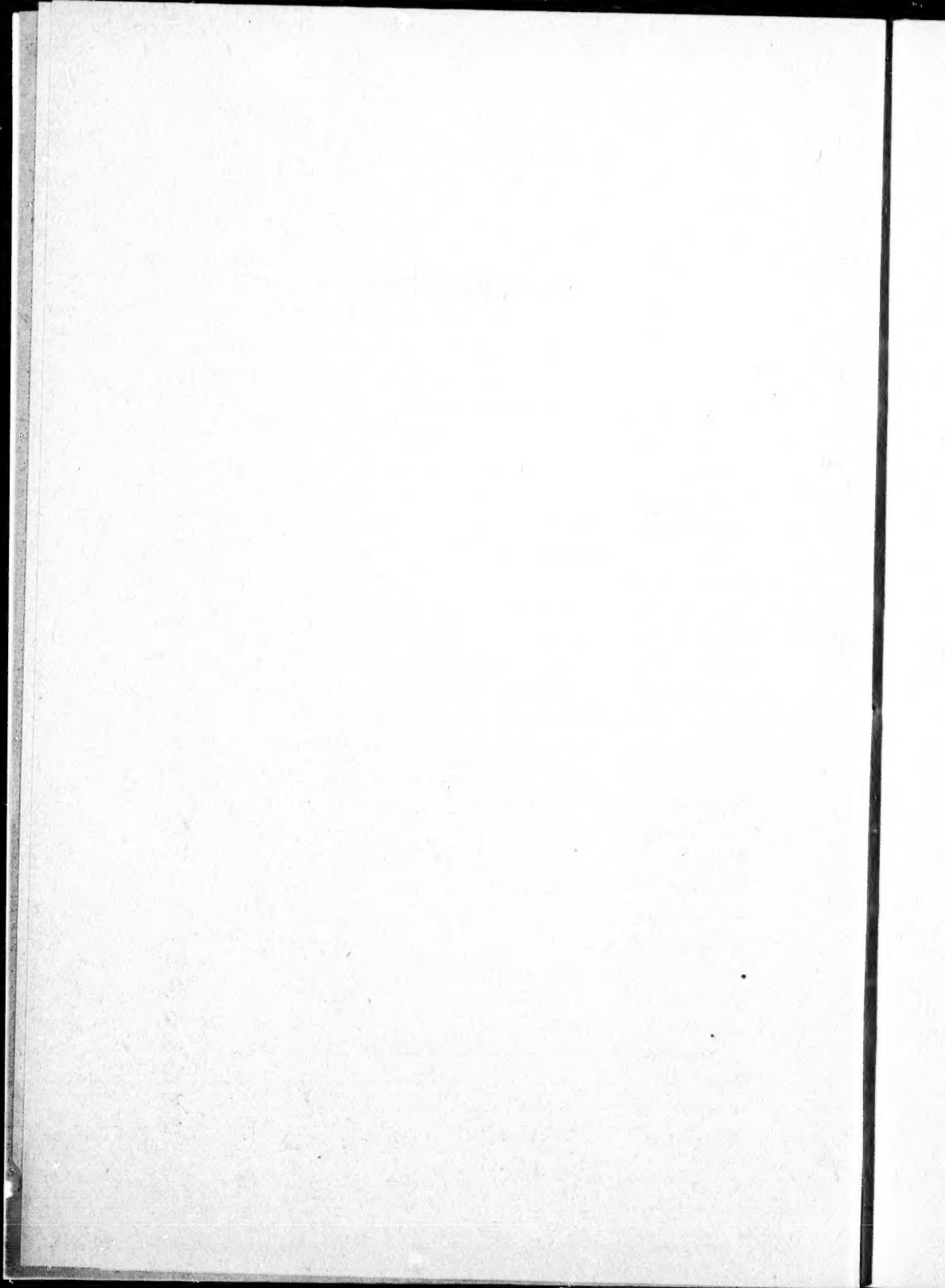
Bankers in Great Britain :

THE CITY BANK, LIMITED, LONDON.
THE BRITISH LINEN COMPANY BANK, EDINBURGH.



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RULES.

NAME AND OBJECTS OF THE INSTITUTION.

I.—This Company is a body corporate, pursuant to the provisions of the Statute of the Province of Canada, ninth of Victoria, Chapter 90, and of Acts passed in amendment thereof, and shall be called the "Canada Permanent Loan and Savings Company." The objects for which it is established are, to encourage the accumulation of Capital, by furnishing a safe and remunerative investment to its Shareholders, Depositors and Debenture-holders ; to assist in the acquisition and improvement of Real Estate, by supplying Capital, on easy terms of repayment, upon the security thereof ; to make advances upon, and to purchase Dominion, Provincial and Municipal Securities and Debentures ; and generally to carry out the purposes of the said Acts.

CAPITAL STOCK.

II.—The Capital Stock of the Company shall consist of shares of FIFTY DOLLARS each, and until otherwise ordered by the Shareholders, the Directors shall have power from time to time to create new Stock and to determine the conditions and terms upon which the same shall be issued and payable, and the premium which shall be paid thereon ; provided that all new Stock shall be first offered to existing Shareholders *pro rata*, according to statute, and that all premiums received shall be added to and form part of the Reserve Fund of the Company.

III.—All persons upon taking new shares in the Company shall sign an agreement to observe the rules, and to pay their shares as called by the Directors ; and all persons accepting transfers of Stock shall thereby become subject to the rules of the Company, and to the conditions upon which such shares were issued.

TRANSFER OF SHARES.

IV.—Any Shareholder may transfer his share or shares, subject to the rules, by causing an entry of such transfer to be made in the books of the Company, in such manner as the Directors may appoint, and upon acceptance by the transferee, he shall be entitled to all the privileges of the original Shareholder ; provided always that any shares given in security to the Company for an advance shall only be transferable with the consent of the Directors. No transfer shall be valid unless made in the books of the Company.

BORROWED CAPITAL.

V.—The Directors are authorized from time to time to borrow money for the use of and on the assets of the Company, to receive money on deposit, and to prescribe the rates of interest to be paid therefor, and the regulations to which the same shall be subject ; and the Directors are also authorized, from time to time, to issue and dispose of the Debentures of the Company as provided by Statute.

All such Debentures shall have the seal of the Company attached thereto, and shall be signed by the President or Vice-President, and by the Manager, or Assistant Manager, and all interest coupons shall be signed by the Manager, or Assistant Manager. One or more books, to be called the "Debentures Book," shall be kept, which shall contain the blank forms of such Debentures, numbered consecutively, with corresponding margin, which shall be filled up before such Debentures are issued.

VI.—The Directors are authorized to exercise the powers conferred on the Company by Statute for the issue of Debenture Stock, which Stock may be issued from time to time, and shall bear such rate or rates of interest, and be subject to such conditions, as the Directors shall determine.

APPLICATION OF FUNDS.

VII.—All money which shall from time to time be paid or given to, or be borrowed by or deposited

with, or for the use or benefit of the Company, or which shall in anywise belong to the Company shall, after providing for expenses and accruing liabilities, be appropriated by the Directors in loans or advances, upon Mortgages on Real Estate and other securities, as provided by Statute and by the rules, and in the purchase of any such securities ; and the Directors shall have full power to buy and sell, and convey all such property and securities as the Company may hold, and the conveyances shall be executed by the President and the Manager. The securities of the Company shall be kept as the Directors may from time to time direct.

VIII.—The Directors are authorized to carry on the business of the Company in any part of the Dominion of Canada, subject to the laws in force in the respective Provinces and Territories thereof ; and also to buy and lease property and to erect buildings for the purposes of the Company's business as by Law provided.

PROFITS AND DIVIDENDS.

IX.—The financial position and profits and losses of the Company shall be ascertained as on the 31st December in each year. Shareholders shall be entitled to receive periodical dividends upon the amount paid on their stock, payable half-yearly or quarterly, at the discretion of the Directors. Before appropriating any portion of the profits to the purpose of a dividend and before making any addition to the Reserve Fund, the Directors shall provide for the payment of accrued interest and all other liabilities ; and shall also make such provision in the Contingent Fund for unascertained losses and other contingencies as they shall think reasonable.

RESERVE FUND.

X.—A Reserve Fund shall be maintained, consisting of the sums already set apart and forming such fund, together with such sums as may be contributed and added thereto, or as the Directors shall, from time to time, deduct or retain from the undivided profits, and together with the profits and increase of

such sums. The said Reserve Fund shall be invested and reinvested in like manner as the other funds of the Company ; and the same, and the profits or increase thereof, or any part or parts thereof may, according to the judgment of the Directors, from time to time, or at any time, be either retained as such Reserve Fund, or be divided among the Shareholders for the time being, in proportion to the number of their shares and the amount paid thereon respectively.

BANKING ARRANGEMENTS.

XI.—The Directors may make such arrangements with any of the Chartered Banks doing business in Canada, or any Bankers doing business in Great Britain or Ireland or elsewhere, for the deposit of moneys and securities, and for conducting other financial matters, as they shall, from time to time, deem necessary. The Directors shall, by resolution, authorize such person or persons as they may appoint to draw moneys.

MODE OF OBTAINING LOANS.

XII.—Any person applying for a loan or advance from the funds of the Company, shall furnish in writing, such information as to the property proposed to be mortgaged to the Company as may be required, in such form as the Directors shall prescribe ; and shall furnish all deeds and documents necessary to show his title thereto, and also such sum as may be considered requisite to meet probable expenses. Should such person decline to take up the amount allotted to him or fail to complete the necessary securities to the satisfaction of the Directors within one month after such allotment, he shall, if required by the Directors, pay a fine of one-half of one per cent per month upon the sum allotted, and the Company may otherwise dispose of the funds so granted to him.

LOANS AND SECURITIES.

XIII.—Loans may be made by the Company to any person or persons or body corporate. No loan or advance shall be liable to the contingency of losses or

profits in the business of the Company, and no borrower shall take part in the management of the affairs of the Company, in respect of any shares subscribed for by him for the purpose of obtaining the advance thereof from the funds of the Company. All borrowers shall observe the Rules, and all loans or advances made shall be subject thereto, whether the borrower be a member of the Company or not.

XIV.—The Directors may accept as security for loans, real property situate in any part of Canada where the Company is authorized to do business, and may also accept as security, and buy and sell such other real and personal property as the Company is by statute empowered to hold. Provided always that at least four-fifths of the invested funds and assets of the Company shall be secured upon Real Estate, and that the aggregate amount advanced to shareholders upon the security of their stock shall not, at any time exceed a sum equal to one-half of the amount of the Reserve Fund, at such time maintained.

XV.—Ten days after default in the repayment when due, of any loan or advance made by the Company upon the security of the stock of any shareholder, or of any part thereof, or in the payment of any interest thereon, the Company shall have full power to sell the shares of such stockholder or any part thereof, and to make the necessary transfers, and the amount realized by the Company upon any such sale shall be applied in payment of the debt and of all fines, costs and charges incurred in connection therewith; and the balance, if any, shall be paid to such stockholder or to his representative. And no notice of any such sale by the Company shall in any case be necessary. The Company shall have a first lien on all shares held by any person indebted or liable to the Company for the amount of such debt or liability; and all moneys paid by any such person, or which may be in the possession of the Company, belonging to any such person, shall be applied to his account as the Directors may appoint.

XVI.—All mortgage deeds and securities upon Real Estate to the Company, shall be prepared in such form, and contain such clauses, provisoes and agreements as the Solicitors for the Company shall respectively think fit, with the approval of the Directors; and in case the mortgagor shall, at any time or times, neglect or refuse to make his repayments or to pay any interest or other sums due to the Company, the Directors may, either with or without the concurrence of the mortgagor appoint a person, or persons, with such salary or commission as they may think proper, to collect the rents and profits of the mortgaged premises; and the Company shall have the same power of enforcing payment as the mortgagor himself may possess; and also, shall have power to sell and dispose of such premises, by public auction, or private sale, when the Directors shall think proper. And in case the mortgagor shall be himself the actual occupier of such mortgaged premises, then in case of default he shall become tenant to the Company, at a fair rent; and the Directors shall have power to distrain as between landlord and tenant. And the Directors shall have power to make such arrangements for the repairing or keeping in repair, or for finishing or putting in order, any buildings or other improvements, or from time to time, inspecting and for taking care of, and managing generally, the mortgaged property, as they shall deem expedient; and in case of default in the payment of any moneys due on a mortgage to the Company, the Directors may, if they see fit, appoint an officer of the Company, or other person, from time to time, to examine the mortgaged property and report thereon to the Board; and all reasonable costs, charges and expenses incurred under the rules, or which the Company may be put to in connection with the mortgage debt, or property, including the time and services of such officer or other person, shall be immediately payable by the mortgagor, and shall be a charge upon the mortgaged property. And when any sale shall take place of any property mortgaged to the Company, the Directors shall have power to retain and apply so much of the purchase money as will be necessary to

pay the same sum as would be required to redeem the property, pursuant to the provisions contained in these rules, together with all other payments, moneys and expenses due to the Company, and to pay the surplus thereof to the mortgagor, or whoever shall appear to be entitled to receive the same.

INSURANCE OF MORTGAGED PROPERTY.

XVII.—All property secured to the Company, liable to be damaged by fire, shall be insured by the mortgagor, if required by the Directors, in such Insurance Company or Companies, and to such an amount as they shall from time to time direct, and the policy or policies shall be in the name of, or shall be assigned, or made payable in case of loss, to the Company; and at least three days before the expiration of any such policy, the mortgagor shall produce proof to the Manager of the renewal of such insurance, or reinsurance, in a Company approved by the Directors, failing which, the Directors may insure the property for the protection of the Company, and shall charge the expense thereof to the mortgagor, but the Company shall in no case be responsible to the mortgagor for the insurance or non-insurance of any property.

XVIII.—Every person executing a mortgage to the Company shall, at the time of such execution, and at any subsequent time, if required, give to the Company a written statement of all such particulars relating to the insurable property comprised in such mortgage as are usually required by Insurance Companies, in default of which the Company may obtain such statement at the expense of such mortgagor. In the event of any change of ownership or occupation, or if any trade shall be commenced, or erection made, or other thing shall take place which increases the risk from fire, or affects the validity of the Policy of Insurance, the mortgagor shall immediately give notice thereof to the Insurance Company and to the Company.

XIX.—In case of damage by fire, the Directors shall receive, from the Insurance Company, the amount payable in respect of such damage, and the receipt of the

Manager shall be a sufficient discharge to the Insurance Company, for the money therein expressed to be received ; and the Directors shall have full power to settle and adjust with the Insurance Company any question relating to such insurance, and to accept the amount to be paid by the Insurance Company, in respect to the damage done to the premises ; or to make such arrangements with the Insurance Company for rebuilding or repairing the said premises, or relating thereto, as the Directors shall think reasonable.

XX.—The Directors shall, at their discretion, either lay out the money which shall be received from any Insurance Company as aforesaid, or any part thereof, in repairing the damage done to the premises ; or pay the same to the mortgagor or his representative ; or retain and apply the same, or such part thereof, as they shall think fit, in or towards payment and satisfaction of the amount which shall be due from the mortgagor to the Company, calculated as for redemption according to these rules, and pay the surplus, if any, to the mortgagor, or to such other person as he shall (by writing) direct to receive the same.

TAXES, GROUND RENT AND OTHER CLAIMS.

XXI.—Whenever any property mortgaged to the Company, or upon which the Company shall have any claim, shall be subject to any tax, ground rent, premium of insurance, or any other charge or claim of any nature or kind whatsoever, the mortgagor shall from time to time, and at least three days before the same shall respectively become due, produce to the Manager an acknowledgment of the payment thereof, failing which, and in default of payment by the mortgagor, the Directors may order payment and charge the mortgagor therewith, and with all expenses attending the same. All such payments by the Company shall be a charge upon the mortgaged property, and shall be subject to a fine in lieu of interest of three-fourths of one cent in the dollar per month until repaid. Provided that in mortgages to be made hereafter the mortgagor shall be subject to a fine in lieu of

interest, at a rate not greater than the rate of interest mentioned or reserved in the mortgage security. But it shall not be incumbent on the Directors to make any such payment, and the Company shall not be responsible for any consequences arising from the non-payment of any such charge or prior claim. And every mortgaged property shall be liable to the Company for the costs of any renewal or additional loan applied for by the mortgagor or owner but not completed.

REDEMPTION OF SECURITIES.

XXII.—If any mortgagor shall desire to redeem his property before the expiration of the full term for which the mortgage has been taken, he may be allowed to do so on such terms as the Directors may determine. A part or parts of any property or properties mortgaged, may be released by the Directors from time to time, if they see fit.

XXIII.—On the redemption of any security, and when all costs, outlays and other sums chargeable in respect thereof, have been paid, pursuant to the rules, a discharge of such security shall be executed, and the same shall be delivered to the mortgagor or his representative on being applied for, together with all other deeds and documents deposited by him in connection with such security; and such discharge shall be prepared, and the seal and necessary signatures obtained, and any matters relating thereto transacted under the direction of the Board at the expense of such mortgagor.

FINES.

XXIV.—In case of the non-payment at the Company's Office of any subscription, repayment, interest, fine, outlay or any other moneys whatsoever, due and payable by any member or other person or body corporate, or in respect of any loan or advance made by the Company, on the days on which the same are made payable according to the rules, or to the terms of the mortgage or other security given for such loan or advance, the same shall be subject to a fine of three-fourths of one cent in the dollar per month, upon the

amount from time to time due and unpaid. Provided that on loans made hereafter, the fine shall not be greater than the rate of interest in the mortgage stated or reserved. All fines shall accrue and shall be payable to the Company immediately upon default being made, and shall be chargeable until all arrears are paid, and shall be a charge upon the mortgaged property. But the Directors shall have power from time to time, to remit a portion of the fines and to charge instead thereof interest upon amounts past due, at such lesser rate as they may determine.

REGISTER OF SHAREHOLDERS.

XXV.—The name and address of each Shareholder and the number of shares held by him shall be entered in a book, to be kept for the purpose and called the Registry Book. Every Shareholder changing his residence or Post-office address, shall, within one month thereafter, give notice in writing to the Manager of his new place of abode or address.

XXVI.—In case of the death or insanity of any Shareholder, the legal representative of such Shareholder shall, before becoming entitled to the privileges of an original Shareholder, procure his place of abode and the particulars of his title to be registered in the books of the Company, and shall at the same time exhibit the will or probate thereof, or grant of letters of administration or other document, as the case may be, for the inspection and satisfaction of the Directors, and furnish a copy of the same when required.

GENERAL MEETINGS.

XXVII.—A general annual meeting of the shareholders shall be held at the office of the Company of which due notice shall be given, at such place and on such day as the Directors may appoint, in the City of Toronto, in the month of February in each year, for the purpose of electing four Directors to serve for the ensuing two years, and for all other purposes relating to the management of the Company, and at each of the said general annual

meetings shall be submitted a full and clear statement of the affairs of the Company for the year ending on the thirty-first day of December previous.

XXVIII.—Extra general meetings of the Shareholders of the Company may be called by the Directors, upon the Shareholders being notified of such meeting, through the Post-Office, or otherwise, at the discretion of the Directors. Any meeting of the Shareholders or Directors may be adjourned, from time to time, and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which the adjournment took place.

XXIX.—The proceedings of all meetings of the Shareholders or Directors shall be entered in a minute book, in detail, in such manner as the Directors may, from time to time, appoint; such entries to be signed by the President, Vice-President, or Chairman, as well as by the Manager.

VOTING.

XXX.—All questions at the annual or other general meetings of the Company, except as provided by statute, shall be decided by a majority of votes of the Shareholders, either in person, or by some other Shareholder as his proxy, represented at the meeting; the Chairman of any meeting, either of the Directors or Shareholders, to have a casting vote in addition to his vote as a Director or Shareholder.

The voting for the election of Directors, and if demanded, on all other questions, shall be by ballot, and on all questions each Shareholder shall have one vote for each share held by him as provided by statute.

BOARD OF DIRECTORS.

XXXI.—The affairs of the Company shall be under the control and management of a Board of eight Directors (of whom five shall form a quorum for the transaction of business), who shall each hold stock upon which not less than twenty-five hundred dollars has been paid; and who shall choose from among themselves a President and Vice-President. No

Director shall hold the office of Solicitor of the Company. The Manager of the Company may be a Director, and in that case shall be styled the Managing Director, and his remuneration as Manager shall be fixed by the Board of Directors. The Directors shall be elected for the term of two years, four to retire annually, but shall be eligible for re-election. The Directors elected shall continue in office till the election of their successors, unless in case of disqualification or resignation.

XXXII.—The Directors shall, at a special meeting to be called for that purpose, or at any other meeting, if all the remaining Directors be present, have power to fill any vacancy that may arise in their own body in the course of the term of two years, by a vote of not less than two-thirds of the Directors present ; and the Board shall have power to make Regulations for the guidance and conduct of the Company, its Officers, Solicitors and Shareholders, provided that such regulations are not inconsistent with the rules, or the Acts under which the Company is incorporated.

XXXIII.—If any Director shall die, or resign, or become incapable to act as Director, or become bankrupt, or insolvent, or compound with his creditors, or cease to hold the required amount of stock, or be removed from his office by a resolution of a special general meeting of the Shareholders, or shall for three months successively be absent from the meetings of the Board without the consent of the Directors, he shall thereupon cease to be a Director of the Company ; and the Directors may appoint another Shareholder to be a Director in his place, as hereinbefore provided ; and no Director shall, at any meeting of the Board, take part in any discussion, or vote on any question in which he shall be personally interested, otherwise than as a Shareholder.

XXXIV.—The Directors shall be paid for their services such sums as may be voted at any general meeting ; and such sums then voted shall thereafter be paid from year to year, until, or unless a different amount be voted by resolution at any subsequent

general meeting ; and the Directors shall be indemnified out of the funds of the Company, or otherwise, from all expenses in reference to the conduct and management of the Company.

PRESIDENT.

XXXV.—The President shall, preside at all meetings of the Shareholders or Directors ; and shall with the Manager, sign the debentures of the Company, and also all assignments or releases of securities, deeds, and other conveyances of properties within the Province of Ontario, and also relating to properties outside of said Province till otherwise provided for by the Directors ; and shall at the request of the Board, exercise a general oversight over the business of the Company. In the absence of the President, or at his request, or at the request of the Directors, the Vice-President shall perform any, or all of the duties of the President : and in the absence of the President and Vice-President, such duties shall be discharged, at the request of the Directors, by a Chairman elected by the Board.

MANAGER.

XXXVI.—A Manager shall be appointed who, with such assistance as may be required, shall also perform the duties of Secretary and Treasurer. He shall, under the supervision of the Board, and except as otherwise provided by Rule, have charge of the offices, books, cash, and securities of the Company, and the immediate direction and control of the Officers and Clerks, and he shall daily deposit with one of the Company's Bankers such money as he shall have on hand. He, or the Assistant Manager, shall, with the President, sign the debentures of the Company, and all assignments or releases of securities, deeds and other conveyances of properties within the Province of Ontario and also properties outside said Province till otherwise provided by the Directors. He shall attend all meetings of the Shareholders or Directors, enter minutes of all resolutions or proceedings in the minute book, and shall see that the accounts are properly kept, and

that the same or a balance sheet thereof, are duly prepared for the inspection and signature of the Auditors. He shall summon the Directors to all meetings, and issue all circulars and notices which may, from time to time, be thought necessary by the Directors ; conduct the correspondence of the Company, and perform such other duties as the nature of his office may demand. The Manager shall not be removed from his office except by the vote of a majority of the whole board of Directors. The Directors shall also in their discretion, from time to time, appoint an Assistant Manager and other officers, with such powers as the business of the Company may require, and generally prescribe their respective responsibilities and duties. The assistant Manager may, by order of the Board, have all the powers and discharge all the duties of the manager.

SOLICITORS.

XXXVII.—One or more Solicitors shall be appointed, who shall transact such necessary business of the Company as the Directors may require, for which he shall receive a fair and reasonable allowance. The Solicitor or Solicitors shall, when required by the Board, investigate the title of property offered as security to the Company, and shall render to the Directors a report, in writing, as to whether such title be deemed by him good and sufficient for the purposes of the Company ; and shall prepare and be responsible for the due preparation of such necessary mortgage deeds and instruments in favor of the Company, as may be required of him by the Directors. The Solicitors and Appraiser's fees and other charges, shall be paid by the person on whose account they may be incurred, unless otherwise provided by the Directors.

APPRAISERS.

XXXVIII.—Persons approved by the Directors may, from time to time, be appointed as Appraisers, who shall receive applications for loans, examine property offered as security to the Company, when the Directors consider it necessary, and shall render to the

Directors a report in writing of the state and value of such property, with such further particulars as may be required, in such form as the Directors shall prescribe, and who shall be paid such fees as the Directors shall think reasonable. It shall not be a part of the ordinary duties of an Appraiser to make contracts for or to receive subscriptions or other moneys on account of the Company, and no payment of money to, or undertaking by, an Appraiser or other person shall be held to be a payment made to, or an undertaking by the Company, unless such Appraiser or other person be specially authorized in writing to receive such payment or contract such undertaking. And any payment made by the Company to a person holding the office of Appraiser, on the order of any borrower or other person, shall be held to be a good and sufficient payment to all intents and purposes whatsoever.

AGENTS.

XXXIX.--The Directors may appoint and remove, in any part of the Dominion in which the Company is authorized to do business outside of the Province of Ontario, such officers, agents or other persons, and may make such banking arrangements, and arrangements for the custody of securities, as they may consider advisable or expedient for carrying on the business of the Company in the most effective manner, and for that purpose may, under such proper restrictions as the Board may prescribe, authorize any agent or agents or other person to make loans and accept securities, and to do any act which the President and Manager, or either of them, or other officer of the Company only could do within the Province of Ontario; but no such agent or agents shall be so appointed, and no such authority shall be given, except by a resolution of three-fourths of the whole Board of Directors, and the powers so conferred on such agent or other person shall be signified to him by writing under the Seal of the Company, attested as by Rule XLI. is provided.

INSPECTION OF ACCOUNTS AND SECURITIES.

XL.—The Directors shall, from time to time, inspect or cause to be inspected, the books, accounts, properties and securities of the Company, and may appoint one or more of their number, or other person or persons, to transact such or any other special business for the Company, and grant them such remuneration as the Board shall think reasonable.

SEAL.

XLI.—The Seal of the Company shall be under the charge of the Manager or Assistant Manager, who shall, in conjunction with the President, Vice-President or Chairman, and under the direction of the Board, affix the same to such instruments as may require the same. A duplicate Seal may be provided for use in each Province or Territory in which the Company shall carry on business and shall be under the charge of, and may be affixed by such officer or officers as may be thereto authorized by the Directors, which authorization must be signified under the Seal of the Company, attested by the signature of the President or Vice-President, and Manager or Assistant Manager.

CONSTRUCTION OF RULES.

XLII.—In the practical application of these Rules, or any rules hereafter to be made, the construction put upon them by the Board of Directors shall be final and conclusive. Every word in the singular number shall be applicable to the plural, and every word importing the masculine gender shall, where necessary, be understood to mean a female as well as a male, unless there be something in the subject-matter or context, repugnant to such construction. The words Share and Shareholder and Stock and Stockholder shall, in all cases, be held to refer only to the investing or unadvanced shares or stock of the Company and the holders thereof; and the word Rules, shall be held to mean the Rules and By-laws of this Company, now passed, or hereafter to be passed.

DOMINION OF CANADA.

*The Canada Permanent Loan and Savings Company's
Act, 1886, as Amended by an Act,
passed in 1887.*

WHEREAS the Canada Permanent Loan and Savings Company have, by their petition, represented that said company are duly incorporated by the laws of the Province of Ontario, and are empowered by the Parliament of Canada to borrow money by way of debentures and to receive money deposits as a savings bank, subject to restrictions imposed, that such debentures and money deposits shall be of certain amounts proportionate to the subscribed, fixed and permanent share capital of the company, and that said company desire to have the power to create a debenture stock as hereinafter mentioned, and further desire that the extent of their powers of borrowing and receiving money deposits and creating debts of every kind should be made to appear in one and the same Act, and the said company have shown that the declaring and setting forth in one Act of the said matters will aid and benefit their operations; and whereas it is expedient to grant the prayer of the said petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. This Act may be cited as "*The Canada Permanent Loan and Savings Company's Act, 1886.*"

2. The aggregate amount of money deposits of such company, together with the amount of the debentures and debenture stock issued or to be issued, as hereinafter provided, and remaining unpaid, may be equal to, but shall not, at any time, exceed double the aggregate amount of the paid up, unimpaired, fixed and permanent capital or shares of the company not liable to be withdrawn therefrom, together with a further sum, which may be equal to, but shall not exceed, the amount remaining unpaid on the subscribed, fixed and permanent capital or shares upon which not less than twenty per cent. has been paid; but in no case shall the total liabilities of the company to the public at

any time exceed three times the amount actually paid up in respect of fixed and permanent capital, or shares in such company, nor shall they at any time exceed the amount of principal remaining unpaid on the mortgages at such time held by the company: Provided, that in estimating the paid up, unimpaired, fixed or permanent capital or shares of the said company, the amount of all loans or advances made by the company to their shareholders upon the security of their stock shall be deducted therefrom; Provided further, that the amount held by the company on deposit shall not at any time exceed the amount of the paid up and unimpaired capital of the company.

3. The board of directors may issue debentures of the company for such sums, not less than one hundred dollars each, and in such currency as they deem advisable, and payable in the Dominion of Canada or elsewhere, not less than one year from the issue thereof, subject to the limitation hereinbefore mentioned; and such debentures may be in the form of Schedule A to this Act, or to the like effect.

4. The directors may also issue "Debenture Stock," which shall be treated and considered as a part of the regular debenture debt of the company, in such amounts and manner, on such terms and bearing such rate of interest, as the directors, from time to time, think proper, but subject to limitations hereinbefore provided, so that the amount received as money deposits and borrowed on the security of debentures or debenture stock shall not in the whole exceed the aggregate amount fixed by this Act as the authorized limit of the borrowing powers of the company.

5. The debenture stock aforesaid shall be entered by the company in a register or registers to be kept for that purpose at such place or places as the directors order, wherein they shall set forth the names and addresses of the several persons and corporations from time to time entitled thereto, with the respective amounts of said stock to which they are respectively entitled; and such stock shall be transferable in such amounts and in such manner and at such places as the directors, from time to time determine.

6. The company shall, on demand, deliver to every holder aforesaid a certificate stating the amount of debenture stock held by him, the rate of interest payable thereon, and the conditions to which the said stock is subject, but no other rights or privileges shall be conferred upon holders of debenture stock in respect thereof than are held or enjoyed by holders of debentures of the company.

7. The holders of the debentures of the Company may, with the consent of the directors, at any time, exchange such debentures for debenture stock.

8. The debenture stock issued or to be issued under the authority of this Act shall rank equally with the debentures issued or to be issued by the company. The directors of said company may, at any time, in the interests of said company, buy up and cancel said debenture stock or any part thereof.

9. Nothing herein contained shall be construed as entitling the said company to be exempt from the effect of any amendments or alterations which it may be deemed proper to make in the general Acts respecting Building Societies carrying on business in Ontario.

SCHEDULE A.

The Canada Permanent Loan and Savings Company
Debenture No.

Transferable \$

Under the authority of an Act of the Parliament of Canada Victoria, chapter , the Canada Permanent Loan and Savings Company promise to pay to the sum of , on the day of , in the year of Our Lord one thousand eight hundred and at with interest at the rate of per cent. per annum, to be paid half-yearly, on presentation of the proper coupon for the same as hereunto annexed ; say on the first day of and the first day of in each year.

Executed at the City of Toronto, in the Province of Ontario, the day of 188 .

C. D.,
President.

A. B.,
Manager.